



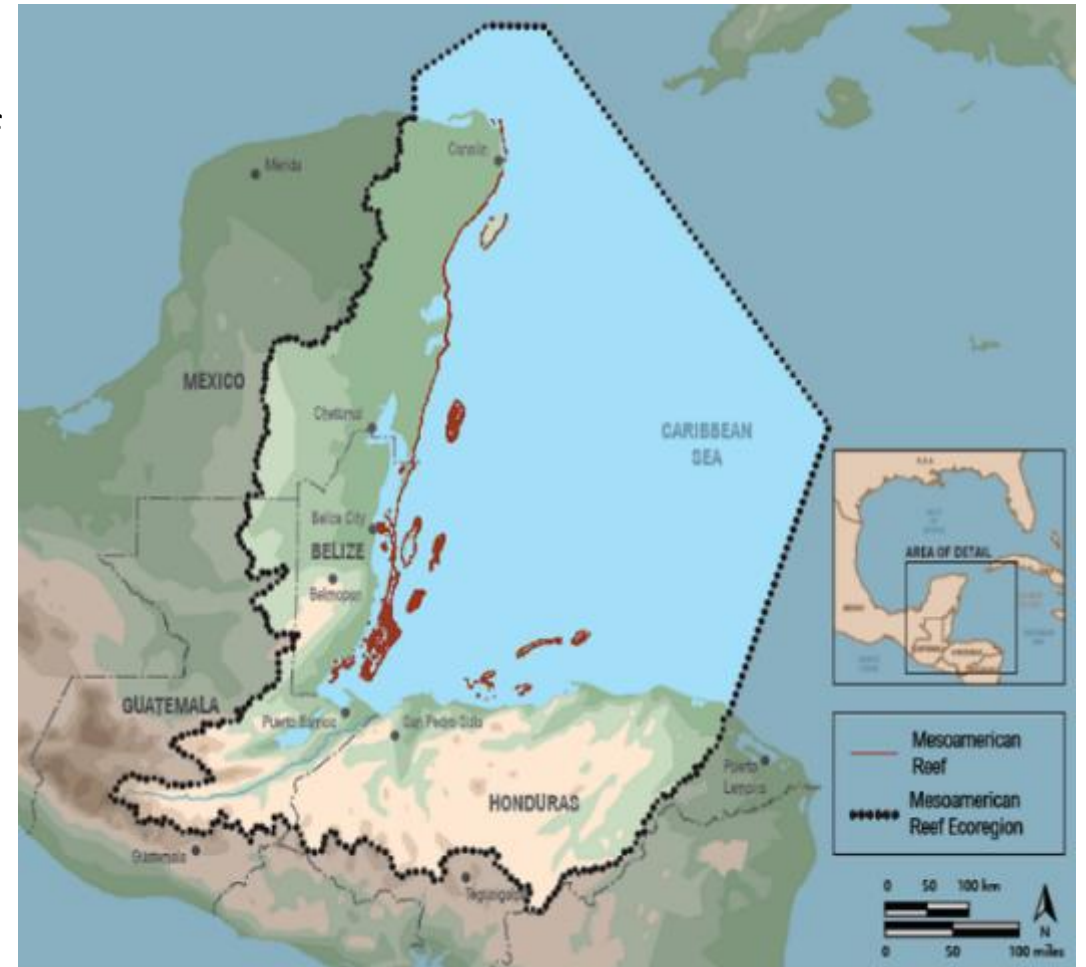
The MAR Insurance Programme

An innovative mechanism for reef response

Reef Restoration Network
Third Biennial Meeting
October, 2021

The Mesoamerican Reef

- Largest transboundary reef – 4 countries with 1000+ km of coastline
- Biodiversity Hotspot
 - Many endangered and charismatic species (manatees, whale sharks, *Acropora* sp., groupers)
 - Mosaic of different coral reef types, seagrasses, mangroves and lagoons
- Expected to deliver economic benefits of \$34.6 billion between 2017 and 2030 if ecological value is preserved.



The Mesoamerican Reef Fund

- MAR Fund is a regional, private environmental fund that drives regional funding and partnerships for the conservation, restoration and sustainable use of the MAR region
- **The Reef Rescue Initiative**
 - Objective: Increase the resilience of the MAR and of the environmental and cultural services it provides through:
 - Instruments for risk management
 - Capacity building
 - **Financial sustainability**



Reef Rescue Initiative

1. Instruments for risk management

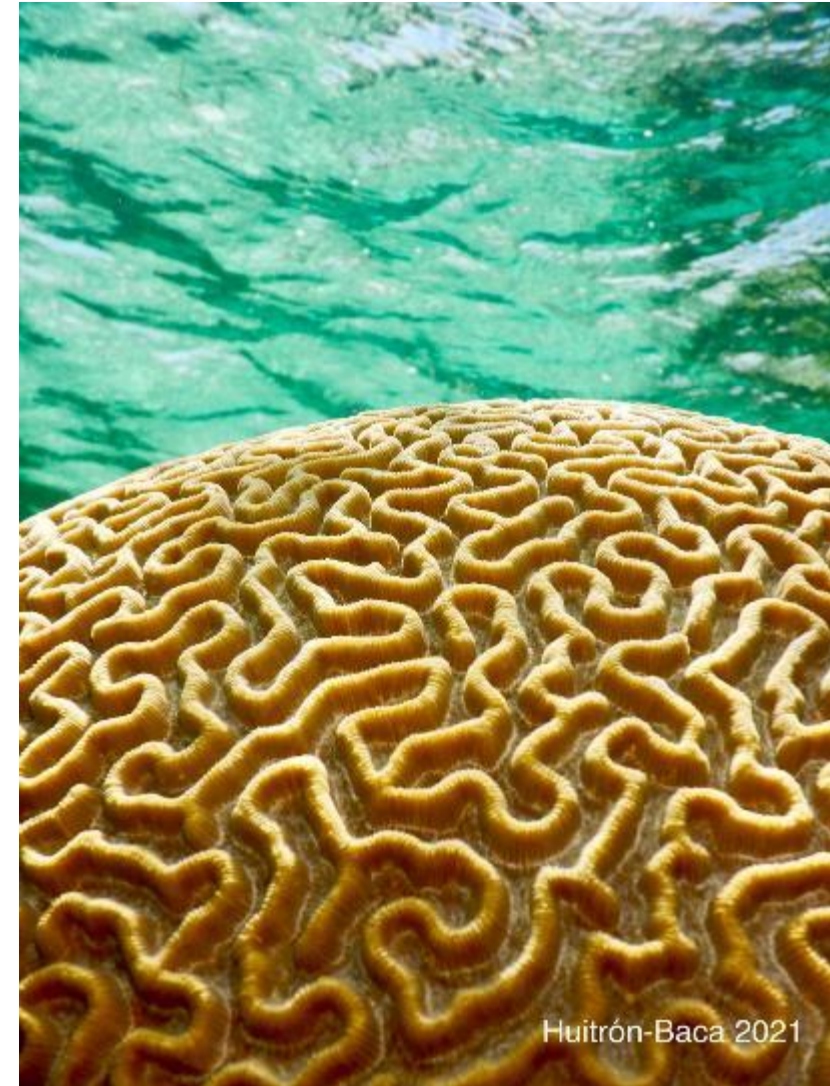
- a. Analysis of legal and policy instruments
- b. Emergency response protocols (post-storm and ship groundings)
- c. Economic valuation of reefs—IDB-

2. Capacity building

- a. Creation of immediate response governance
- b. Training of brigades and response groups
- c. Reef Restoration Network

3. Financial Sustainability

- a. Emergency Fund
- b. Mesoamerican Reef Insurance Programme



The Emergency Fund in action

- Response at three reef sites of Puerto Morelos National Park
- Hurricanes: Gamma, Delta, Zeta
- Funds granted from the Emergency Fund: USD 15,950
- CONANP led the response groups
- 2,152 coral colonies were stabilized, 5,143 fragments were cemented, 8,428 fragments were propped



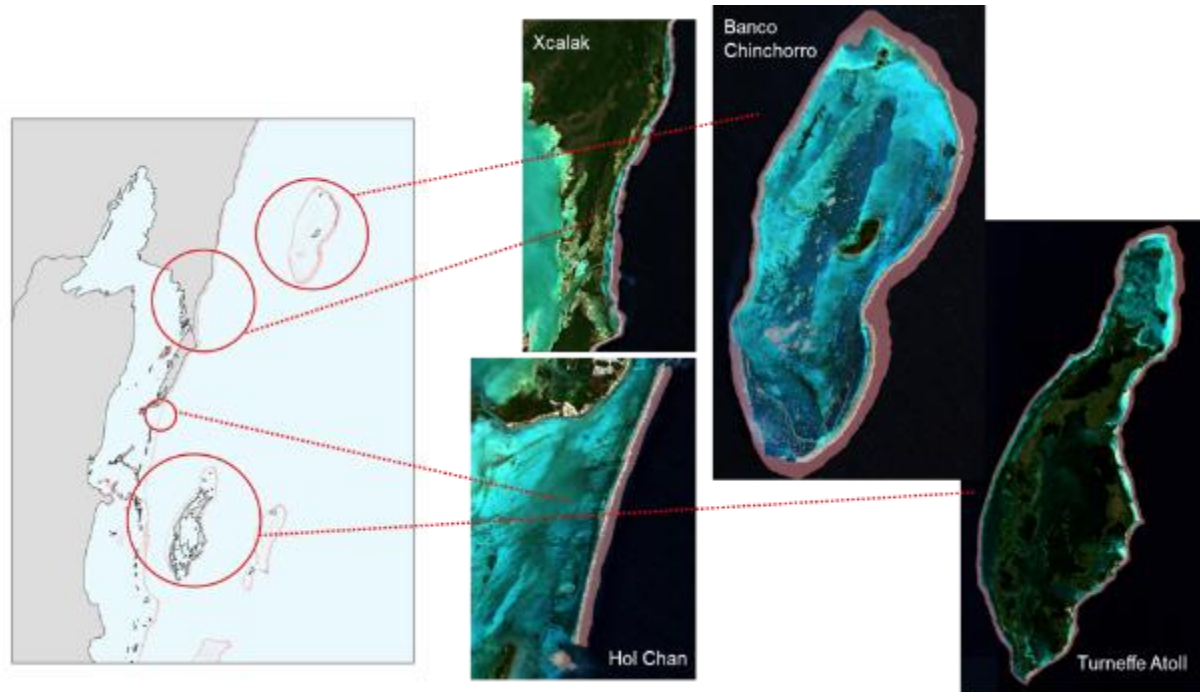
What is parametric insurance?

Parametric insurance is a type of insurance that pays out a pre-agreed amount to a policyholder according to pre-defined event characteristics (e.g., peak storm wind speed).

A solution to provide quick and appropriately-scaled funding after hurricane impacts for rapid response, reef restoration, and recovery in the MAR Region.



Coverage execution for four pilot sites



Coverage execution:

1. The insurance policy was purchased by the MAR Fund
2. Premium financing: ISF funding through the MAR Insurance Programme
3. Broker Specialist: Willis Towers Watson
4. Provider: AXA Climate

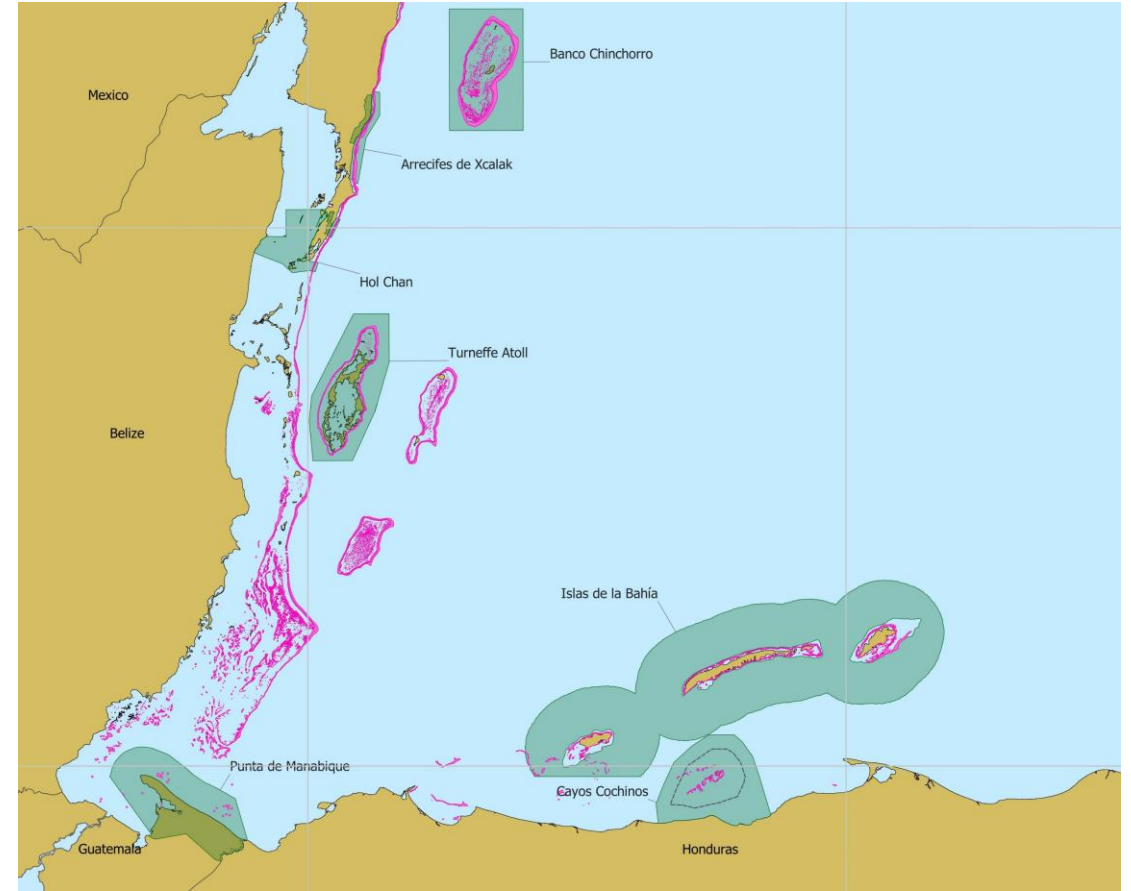
● From July 2021 to May 2022

The execution of this Agreement shall not have any effect with respect to, or in connection with, any sovereignty claims over any territory (land, insular and maritime) claimed by the Republic of Guatemala and/or Belize; nor shall it have any effect over the rights and/or claims of either country over such territory



Year 1

● Coverage executed for 4 pilot reef sites



Year 2

● Additional reef sites covered

Reef Response Preparedness

EARLY WARNING AND RAPID RESPONSE PROTOCOL

Actions to mitigate the impact of Tropical Cyclones on Coral Reef (TNC)

Response capacities developed regionally (in collaboration with TNC)

1. Five Response Coordinating Committees
2. 39 first responders trained
3. 10 trainers trained (includes Brigades)
4. Equipment for Brigades purchased



Planning and preparation of the response

Key Requirements:

1. Emergency Response Governance

- Response Coordinating Committee
- ***First Responder Brigades (Trained)***
- Operations Team
- Partners Network (Allies)

2. Emergency Response Plans

- Course of action to implement the Protocol
- Should be developed in advance of any event
- Premade list of resources, contacts, budgets, actions, brigades, & others

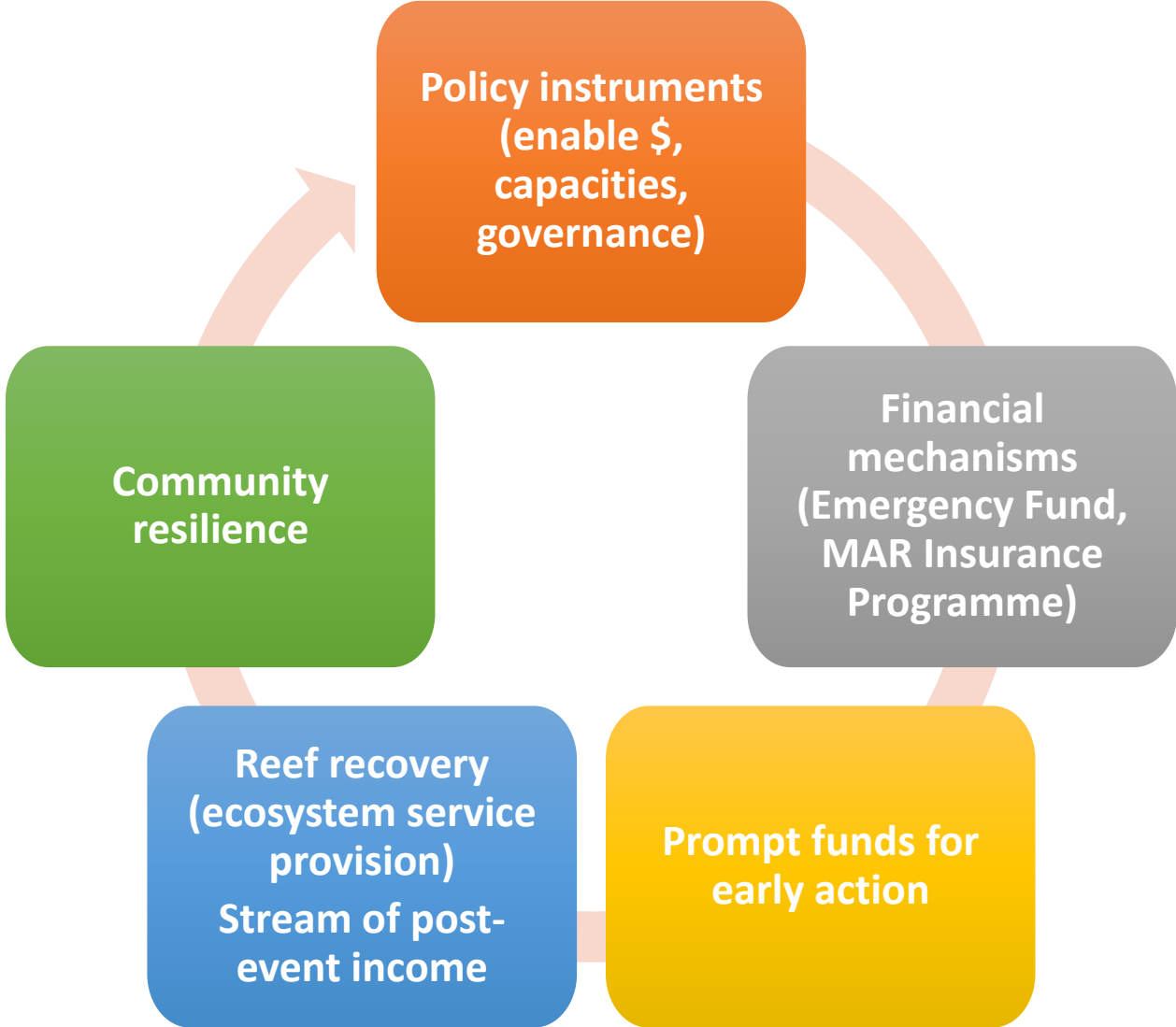
Insurance pay-out



Partners & Strategic Alliances

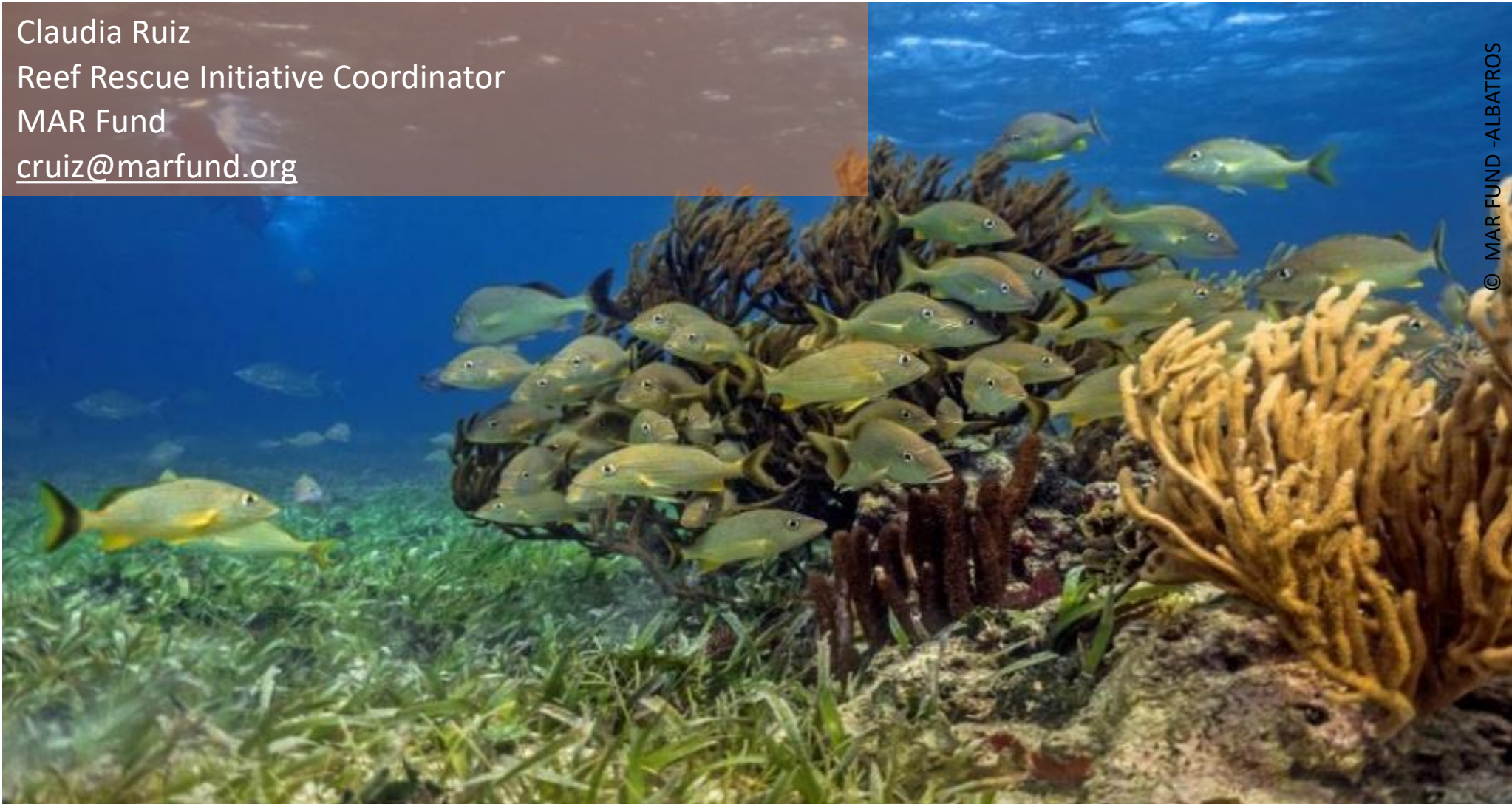


The response and resilience landscape



Contacts

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